

\*

UMASS/AMHERST

\*



312066 0270 4335 1





MASS. HS20.1:984

GOVERNMENT DOCUMENTS  
COLLECTION

AUG 7 1985

University of Massachusetts  
Depository Copy

**Your Department of  
Public Welfare  
1984 Annual Report**

**Michael S. Dukakis**, Governor  
Commonwealth of Massachusetts





**The average welfare family:**

- is white.
- is composed of a 30-year-old mother and two children.
- speaks English.
- has lived in Massachusetts for 10 years.
- has been on welfare for less than two years.
- receives less than \$4,300 in cash per year to pay for rent, utilities, fuel, clothing, transportation and other household expenses.



## To the Citizens of the Commonwealth:

Each month, half a million people in Massachusetts receive assistance from the Department of Public Welfare. More than 40% are children. Over 20% are elderly. The rest are young mothers, the disabled, refugees and the homeless.

With an annual operating budget of two billion dollars, Public Welfare is the largest single agency in Massachusetts. With nearly 5,000 employees in 60 local offices, Public Welfare also has the "distinction" of being one of the state's biggest bureaucracies.

It is a huge system that must be managed carefully and compassionately with one eye on making sure poor families are fed, clothed and housed, and the other eye on continuing to be fiscally accountable to the Commonwealth's taxpayers.

In the past year, the Department of Public Welfare has made progress on both fronts. We have launched major savings and revenue initiatives which netted \$200 million this year. These savings and revenue have allowed us to improve the quality of life for the poor by raising benefit levels and funding new programs—all without having to take another bite out of taxpayers' wallets.

These initiatives have created an employment and training program that has become nationally known and brought the state's AFDC caseload to its lowest level in more than a decade. These initiatives kept Medicaid costs from rising more than 2.6% this year—an increase that is half the rate of national health care inflation. And these initiatives have restored a sense of dignity to the poor whose lives depend on assistance from Public Welfare.

Sincerely,

**Charles M. Atkins**  
Commissioner

## Table of Contents

Putting Compassion Back in Public Welfare	5
1984: Savings and Revenue a Record \$200 Million	7
Welfare Caseload Lowest in Twelve Years	9
12,000 Welfare Recipients Get Jobs Through "E.T."	11
Medicaid Computer Saves \$56 Million	13
Who We Are	14





***"There are now 1,300 beds for the homeless in the network of permanent and temporary shelters across the state. Three hundred of those beds are in the new temporary shelters. The state funds 17 permanent shelters statewide."***

***The Patriot Ledger  
December 20, 1984***

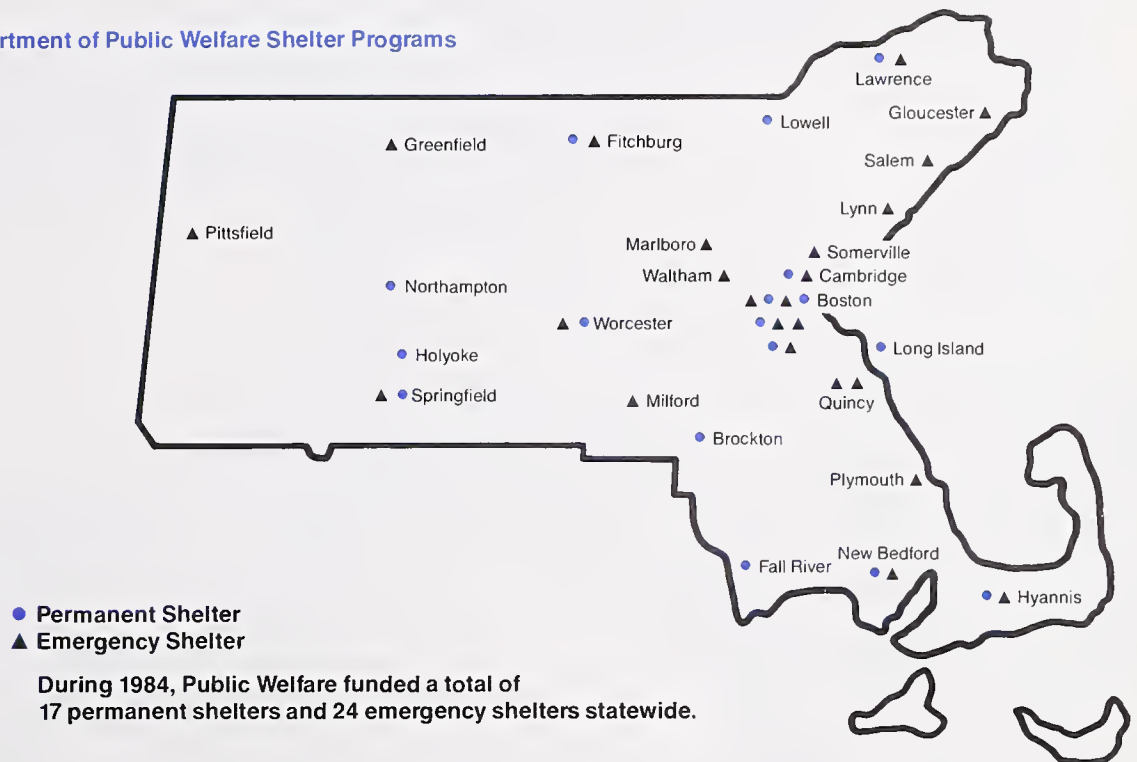
# Putting Compassion Back in Public Welfare

In his 1983 inaugural address, Massachusetts Governor Michael S. Dukakis made helping the homeless a top human services priority. The day Governor Dukakis took his oath of office, the Department of Public Welfare was funding only two permanent homeless shelters—both in the Boston area.

Today, a statewide network of 17 homeless shelters receive Public Welfare dollars. These shelters provide a bed, meals, counseling, housing and medical assistance for up to 1,300 homeless families and individuals per night. In addition, 24 non-profit organizations throughout Massachusetts receive Public Welfare mini-grants to operate emergency shelters in churches and community buildings. These emergency shelter mini-grants have meant an increase of over 300 homeless shelter beds this winter.

**Benefit Increases.** During 1984, for the first time in the history of the Commonwealth, AFDC and General Relief recipients in Massachusetts received a combination 4% cost-of-living (CoL) increase, 5% increase in the standard of need and a clothing allowance. These three benefits are part of Public Welfare's efforts to provide a more humane life for Public Assistance recipients in Massachusetts. Prior to 1984, AFDC recipients had received only 4 CoL increases in the past ten years. The 4% CoL this year raised the average monthly AFDC grant to \$370 per month and the average monthly General Relief grant to \$226.

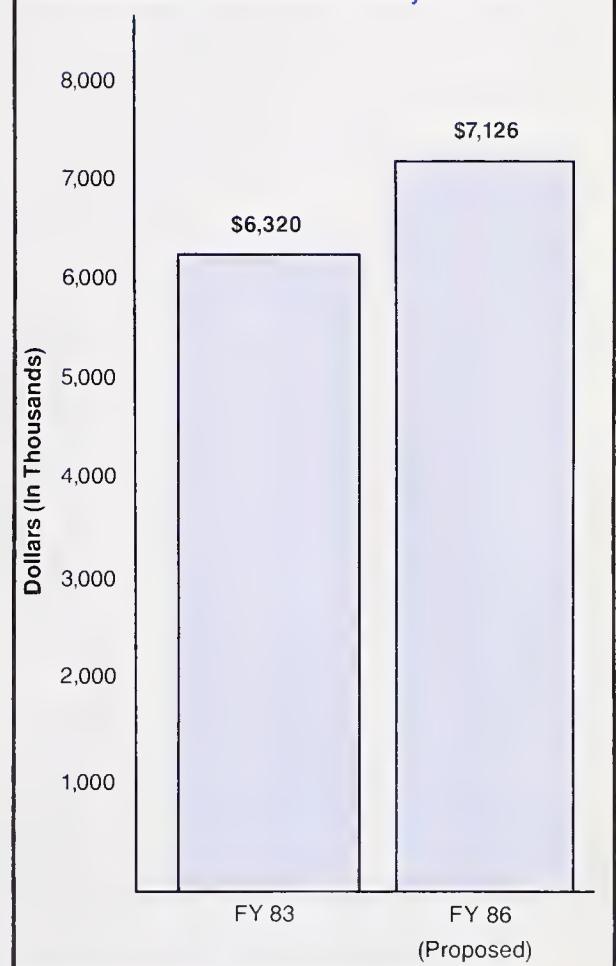
## Department of Public Welfare Shelter Programs



**Nutrition Outreach.** A 1983 nutrition survey by the Massachusetts Department of Public Health found that as many as 17,500 children in the Commonwealth were suffering from malnutrition. The number of people on Food Stamps in Massachusetts had dropped 10% since 1981, when the Federal government eliminated funding for Food Stamp outreach. The study found that 32% of the children surveyed were eligible for Food Stamps, but were not receiving them. Governor Dukakis and the Massachusetts Legislature responded to the problems of hunger in Massachusetts by allocating \$250,000 to Public Welfare for nutrition outreach in 12 targeted communities. Public Welfare funded mini-grants to local agencies which were designed to break down the barriers to applying for Food Stamps and assist poor families with children and the elderly in making applications.

Public Welfare also began a major effort to enroll children in Project Good Health, a Medicaid program which provides regular nutrition assessments, diagnosis, and screening for children up to age 21. In 1984, 50,000 children were enrolled in Project Good Health.

## Annual Welfare Benefits for a Family of Three



Includes AFDC, Food Stamps and clothing allowance.





***"The state, in its continuing effort to fatten its coffers and reduce child poverty, is planning new administrative steps and legislation to beef up collections from parents who renege on child support payments.***

***"The steps are aimed at reducing an estimated \$100 million the state must pay each year in welfare to support those who otherwise would be supported by the absent parent."***

***The Worcester Telegram  
January 31, 1984***



# 1984: Savings and Revenue a Record \$200 Million

For the Massachusetts Department of Public Welfare, 1984 was a year marked by new directions. For the past several years, Public Welfare had been an agency which focused its efforts on spending. Each month, a half million poor, elderly and disabled citizens of the Commonwealth depend on Public Welfare to provide cash and medical assistance. Providing that helping hand continues to be Public Welfare's top priority. The Department operates a total of twelve assistance programs ranging from Aid to Families With Dependent Children (AFDC), Medicaid, General Relief, SSI and Food Stamps, to Refugee Assistance, homeless sheltering programs and Child Support enforcement.

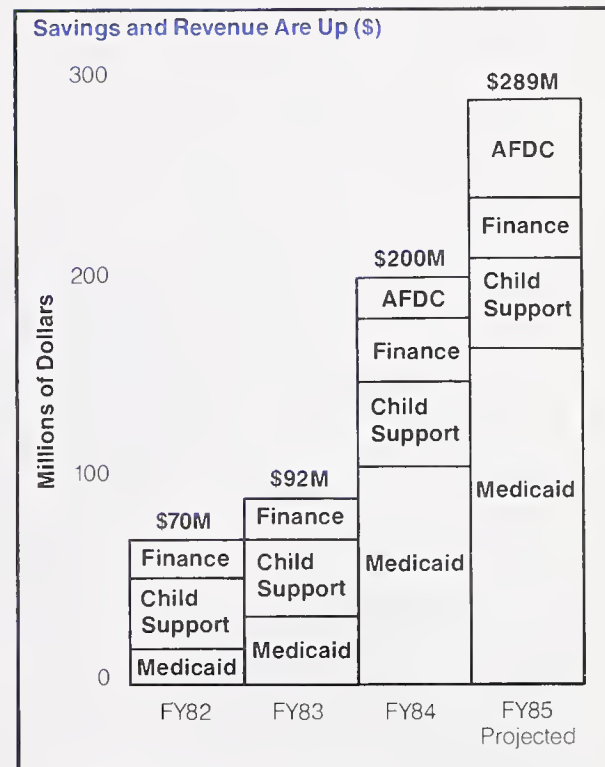
In the last couple of years, the Department of Public Welfare made employment and actual cash collections a major priority. Since its start in October 1983, the Employment and Training: CHOICES program, has placed 12,000 welfare clients into jobs paying an average of \$5.00 per hour. This effort has paid off in big dividends not only for Public Welfare's clients but for the Commonwealth's taxpayers as well. As a result of this first in the nation program, Massachusetts' welfare caseload is at a twelve year low.

The savings to taxpayers from the caseload drop was \$21.7 million during 1984.

The second new direction for Public Welfare is in the area of actual cash collections. In 1984, Public Welfare collected a total of \$846 million\*, placing the Department second among state agencies in cash collections. (The Department of Revenue ranks first.) Public Welfare's Finance division collected a total of \$29 million in 1984 from recipients and Medicaid providers who were overpaid. The division surpassed its collections goal by 16% and brought in 48% more money than in the previous year. Despite the dropping caseload, Public Welfare's Child Support Enforcement division collected \$43 million dollars from absent parents—7% above FY 1983 collections.

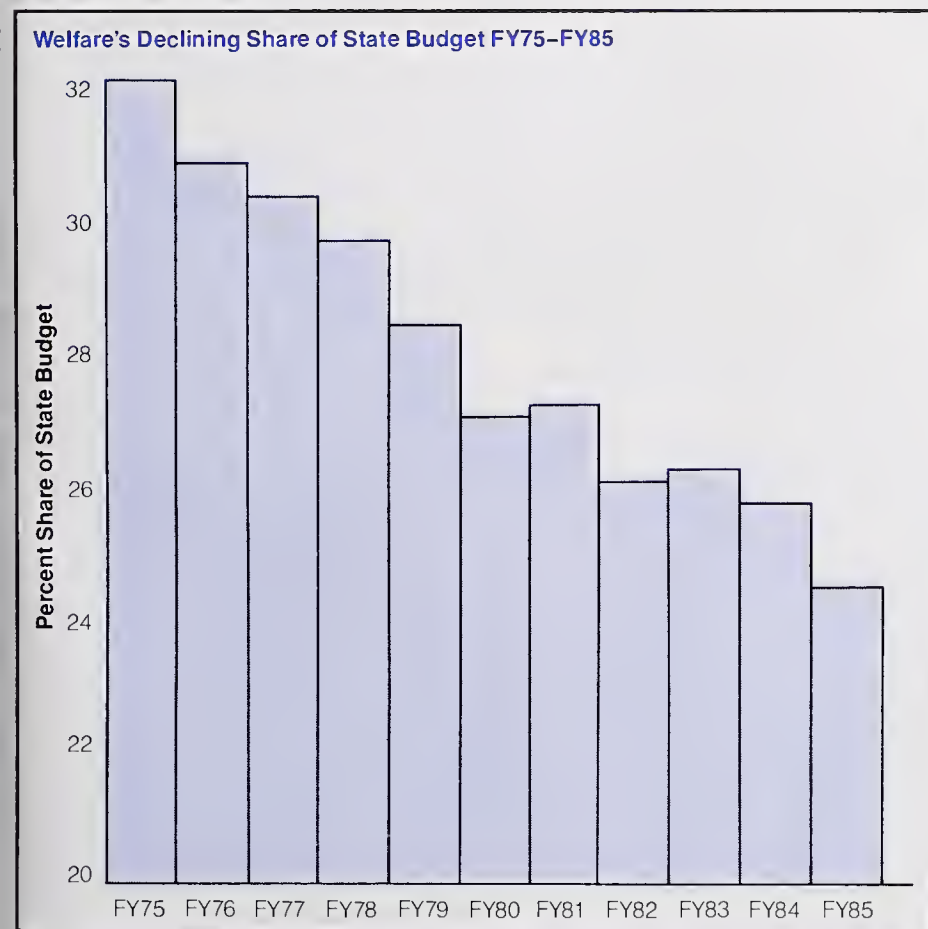
New Medicaid collections totaled \$8 million bringing total Medicaid savings to \$89 million, nearly \$20 million above the savings goal. Total savings and revenue for the Department in FY'84 were \$200 million, a figure which equals 11% of total expenditures. A Public Welfare record. A new direction.

\*Includes \$766 million in Federal reimbursements.

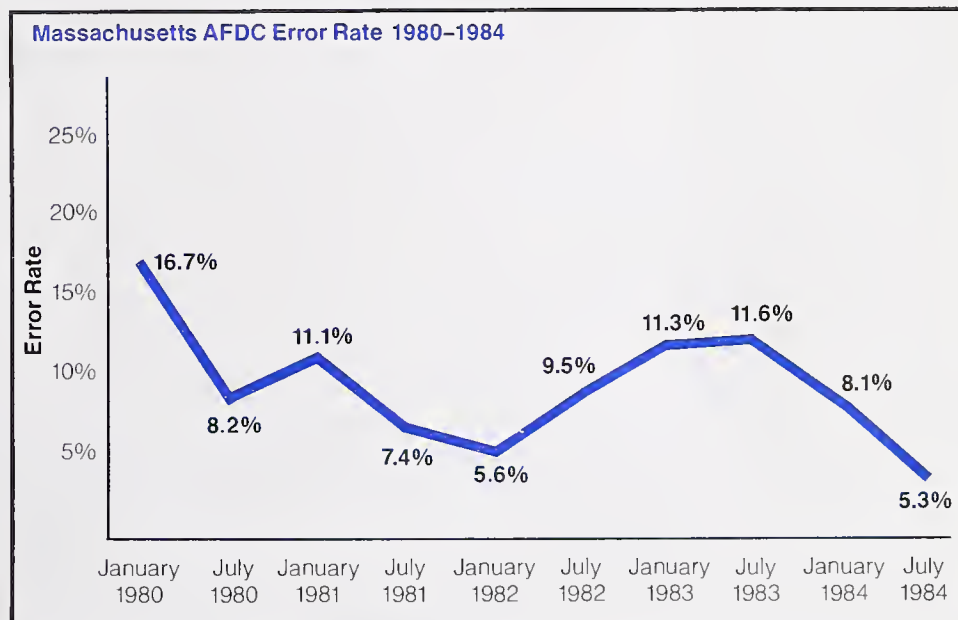


Total for each year includes new and continuing initiatives.

In Fiscal Year 1984, Public Welfare's spending totalled \$1.9 billion. Savings and revenue of \$200 million were a record 11% against total expenditures. This savings and revenue does not include the \$766 million collected in Federal reimbursements.

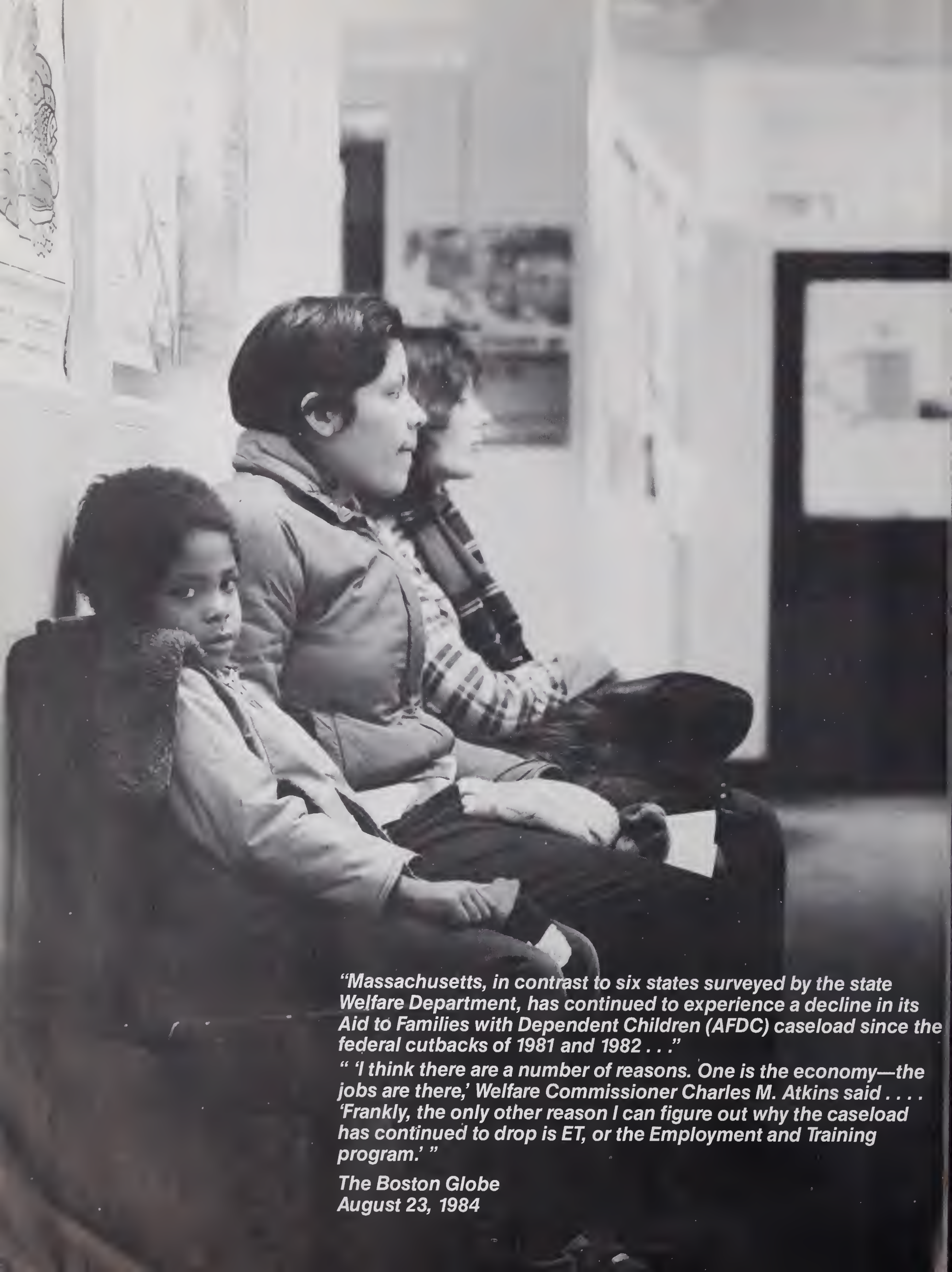


Public Welfare's share of Massachusetts' total state budget has experienced a steady decline from a high of 33% in 1975 to 25% in FY85. While there are many reasons for this drop—the creation of the Department of Social Services in 1980 and the decline in the AFDC caseload—it reflects the fact that the cost of public assistance has been reduced relative to other state programs.



In July of 1984, Public Welfare's AFDC error rate dropped to 5.3%, the lowest it has ever been. The error rate reduction is a result of a concerted effort to reduce error in the AFDC, Medicaid and Food Stamp programs. By focusing workers on error prone cases, increasing local office staff, reducing worker caseloads and increasing case redeterminations, error rates have been reduced in all three programs. In January, errors in Medicaid dropped to less than 2%—or 50% lower than the 1983 error rate.





***"Massachusetts, in contrast to six states surveyed by the state Welfare Department, has continued to experience a decline in its Aid to Families with Dependent Children (AFDC) caseload since the federal cutbacks of 1981 and 1982 . . ."***

***" 'I think there are a number of reasons. One is the economy—the jobs are there,' Welfare Commissioner Charles M. Atkins said . . . 'Frankly, the only other reason I can figure out why the caseload has continued to drop is ET, or the Employment and Training program.' "***

***The Boston Globe  
August 23, 1984***



# Welfare Caseload Lowest in Twelve Years

In December of 1984, the number of Massachusetts families receiving Aid to Families with Dependent Children (AFDC) hit a twelve year low of 83,721.

The caseload decline is the result of three key factors: tighter Federal eligibility standards, a healthy state economy and a new welfare employment program known as Employment and Training: CHOICES.

In 1981, the Reagan Administration made major changes in the way welfare eligibility is determined. Those changes had a serious effect on working poor people throughout the country. In Massachusetts alone, 26,000 working poor families were dropped from the welfare rolls, and lost not only their AFDC cash benefits but their health care benefits through the Medicaid program as well. By the end of 1982, the caseload decline due to the Federal Omnibus Budget Reconciliation Act (OBRA) had leveled off, but the tightened AFDC eligibility rules continue to have a lessening effect on the numbers of working poor who are eligible for AFDC.

Top Ten Welfare States AFDC Caseload and Unemployment Rate Trends December 1982 to July 1984		
STATE	AFDC CASELOAD CHANGE	UNEMPLOYMENT RATE CHANGE (percentage points)
Ohio	+ 11.3%	- 5.1
Texas	+ 11.0%	- 2.1
Wisconsin	+ 10.8%	- 4.0
Illinois	+ 6.4%	- 4.4
California	+ 4.3%	- 2.8
New York	+ 3.0%	- 1.1
New Jersey	+ 1.8%	- 2.0
Michigan	+ 0.4%	- 4.2
Pennsylvania	- 5.1%	- 3.3
Massachusetts	- 8.6%	- 3.6

Source: Massachusetts Department of Public Welfare  
Office of Research, Planning and Evaluation  
Massachusetts Division of Employment Security  
Office of Research, Planning and Evaluation.

Of the ten largest welfare states in the country, only Massachusetts and Pennsylvania saw a drop in their AFDC caseload between 1982 and 1984, yet all experienced improvement in their employment picture.

In October of 1984, Massachusetts' unemployment rate stood at 3.7%. This healthy economic indicator was by no means limited to the Commonwealth. Between 1982 and 1984, all ten of the nation's largest welfare states experienced a drop in their unemployment rate. Yet only two states, Massachusetts and Pennsylvania, experienced a drop in the number of families on welfare.

The majority of people on AFDC are not counted in states' unemployment statistics because people on welfare are not usually officially defined as "looking for work." However, in Massachusetts, 12,000 welfare clients entered the labor force since October of 1983—many for the first time—though a new Public Welfare program called Employment and Training: CHOICES and known as "E.T." These three factors: E.T., a healthy state economy and tighter welfare eligibility have combined to reduce the AFDC caseload and save Massachusetts taxpayers \$21.7 million in 1984.

Average AFDC Caseloads in Massachusetts	
FY70	56,932
FY71	71,016
FY72	79,618
FY73	83,952
FY74	91,738
FY75	106,124
FY76	111,932
FY77	117,592
FY78	121,523
FY79	122,254
FY80	122,003
FY81	122,693
FY82	109,553
FY83	91,355
FY84	87,533*

\*December 1984 = 83,721



In an effort to improve services to clients, Public Welfare has returned to a caseload system of work assignment. During the previous state administration, the Department had operated like a bank. Clients came into offices and saw any worker who was available. The return to a caseload system has given clients and Public Welfare employees a sense of continuity, reduced error and brought greater compassion to the delivery of services.

The new system has benefited workers and clients equally. During 1984, over 150 additional welfare caseworkers were hired, trained and assigned to local offices. This reduced average caseloads per worker to 175 AFDC cases and 450 Medicaid cases—a major step toward lightening the work load for Public Welfare employees and improving services for Public Welfare clients.





*" 'My sense is that this is the most successful program in the country,' Dukakis told me . . . 'We're getting people into permanent, productive jobs where they can make more money than they could ever get on welfare, and we're saving money for the state and federal government at the same time.' "*

*William Raspberry  
The Washington Post  
July 6, 1984*



# 12,000 Welfare Recipients Get Jobs Through "E.T."

As of January 1, 1985, 12,000 Massachusetts welfare recipients had entered jobs through a new program called Employment and Training: CHOICES. Known as E.T., the program is the first of its kind in the nation, and it is one of the main reasons why the state's welfare caseload is at its lowest level in twelve years.

Unlike punitive "workfare" programs operated by other states, E.T. is designed to offer work incentives to welfare recipients and give people the help they need to become independent of the welfare system.

E.T. participants may receive career planning, education and skills training, on-the-job training through supported work programs and job placement assistance through the Division of Employment Security. The E.T. program also provides day care for a full year after the person takes a job, and transportation allowances are available.

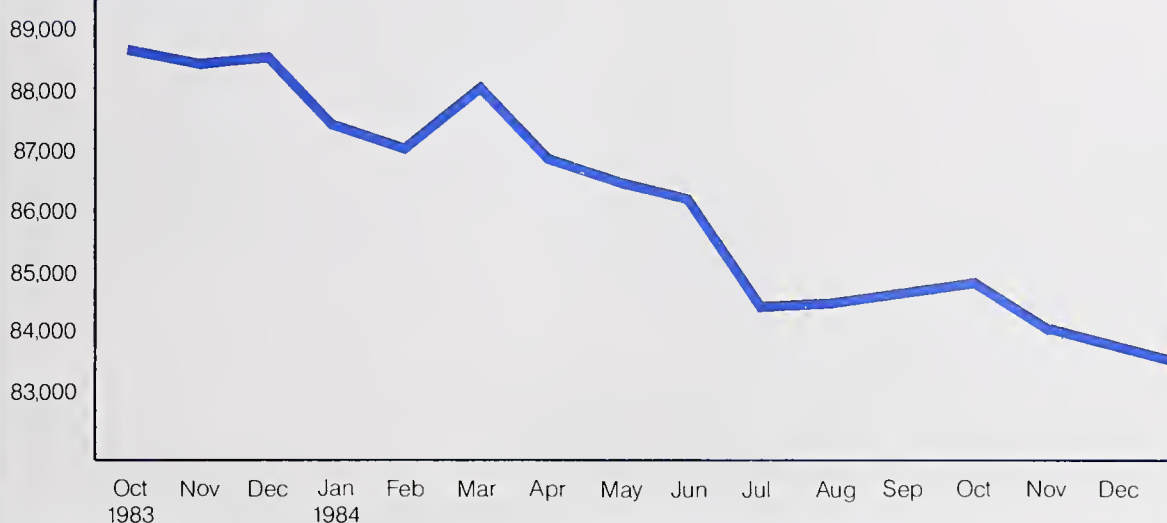
Since E.T. began in October 1983, a total of 12,000 welfare recipients have gone into full- and part-time jobs.

Full-time jobs obtained through the E.T. program pay an average of over \$5 per hour. On the average, E.T. graduates have been able to double their gross income—\$4,300 per year on AFDC versus \$9,700 in wages. Over 70% of the jobs provide health insurance and the program's 30 day retention rate is 85%. More than 40,000 welfare recipients have registered for E.T. and the program is expected to save taxpayers more than \$100 million.

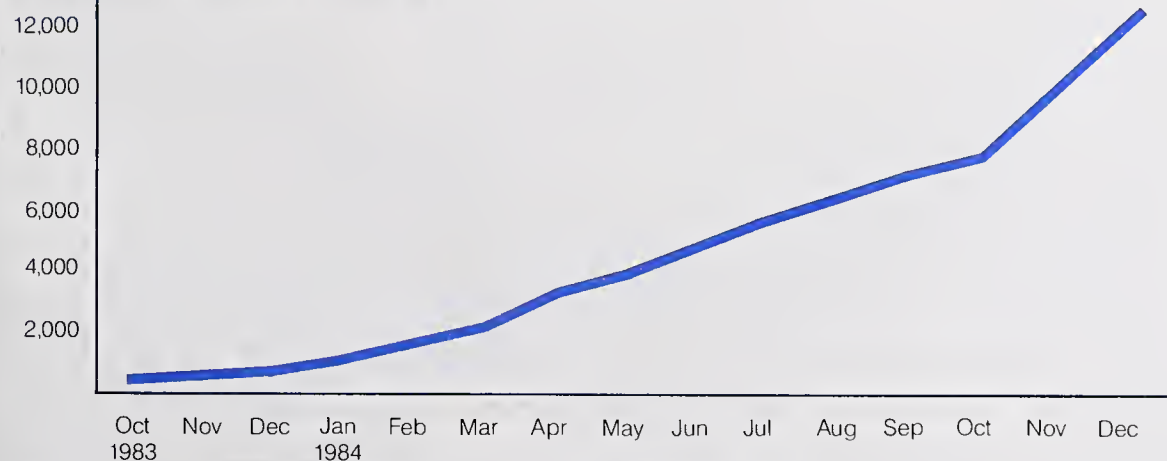
More than 4,000 Massachusetts businesses have hired E.T. graduates as electronic assemblers, computer operators, medical secretaries, word processors, practical nurses, lab assistants, medical claims analysts, carpenters and computer programmers, among other jobs.

Companies which have actively participated in the E.T. program include: Norton Company, Blue Cross/Blue Shield of Massachusetts, Stride-Rite, American Optical Corporation, Digital Equipment Corporation, State Street Bank and Trust Company, Bank of Boston, K & M Electronics, Inc. and thousands of traditional and high technology manufacturing firms, medical institutions, banks and other service industries.

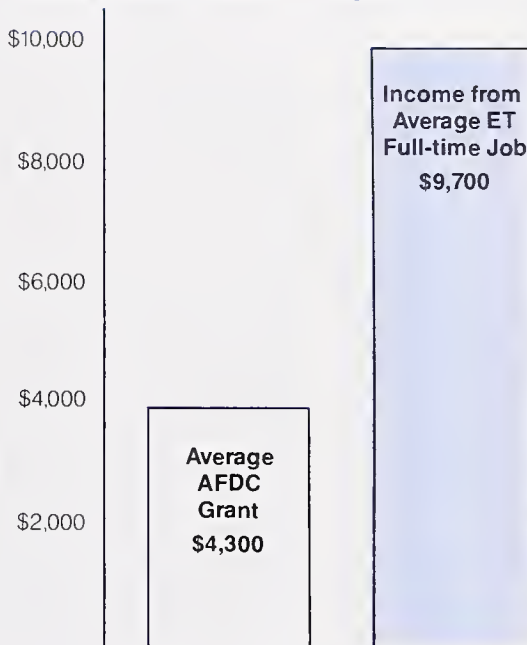
AFDC Caseload, 1983-1984



ET Placements (Cumulative), 1983-1984



ET: Choices  
Annual Income: Welfare vs. Wages, 1984







*"Every now and then there's some good news out of state government—not about how many of our tax dollars they want to spend, but how many of those tax dollars they have saved. And when that happens it's cause for some celebration and some congratulations all 'round . . ."*

*The Boston Herald  
Editorial  
November 23, 1984*



# Medicaid Computer Saves \$56 Million

Massachusetts is a state that prides itself on being on the cutting edge of the medical care and computer industries.

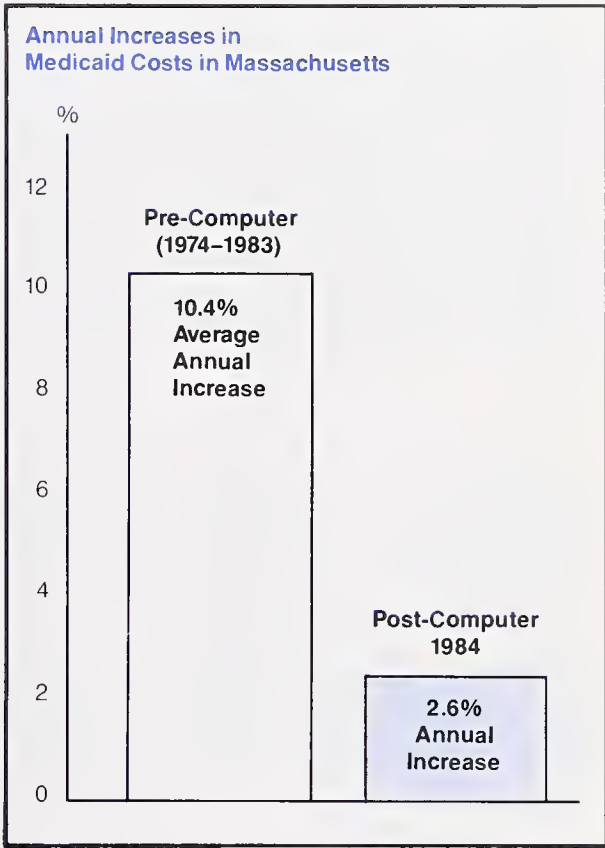
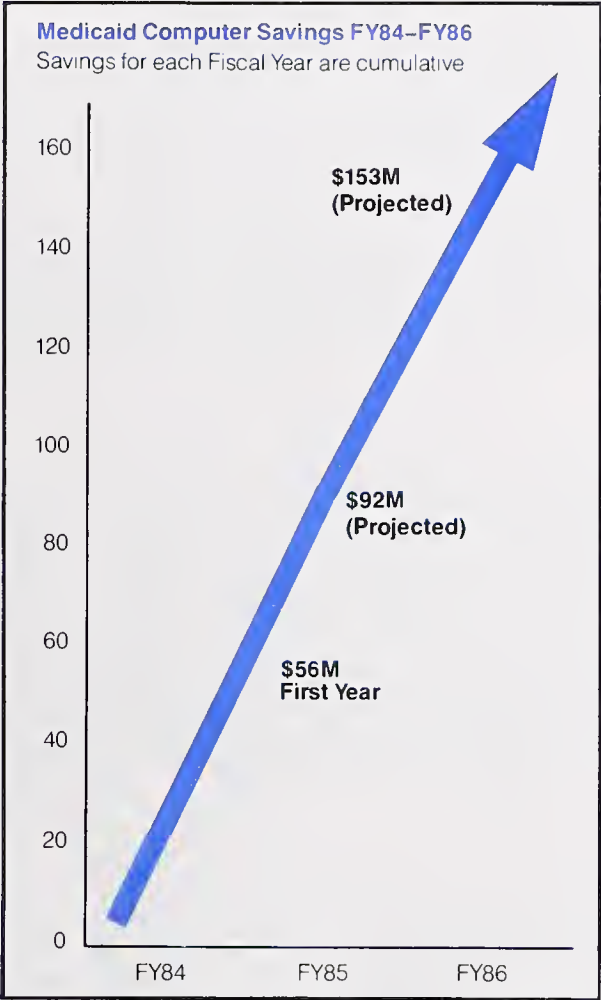
Yet, for the last 17 years, the state's Medicaid program had been in the dark ages, with many Medicaid claims being processed by hand on index cards out of shoeboxes. But in October of 1984, Public Welfare marked the one year anniversary of its sophisticated, state-of-the-art Medicaid computer system. In 1984, its first year, the Medicaid Management Information System (MMIS) saved the Commonwealth's taxpayers \$56 million in Medicaid costs. As a result, Medicaid expenditures rose 2.6% in fiscal year 1984 compared to an average of 10% per year for the past ten years. In 1984, the computer system processed more than 17 million Medicaid claims, most within 21 days compared to the 45 day processing time under the previous manual system. By using over 100 computer checks or edits, MMIS is able to discover and deny payment for claims which are improper, incorrect or fraudulent. Cumulative savings from MMIS through fiscal year 1986 are expected to total \$153 million.

**Other Medicaid Savings.** In addition to the savings from computerized Medicaid payments, Public Welfare saved an additional \$63 million in its Medicaid budget between October 1, 1983 and September 30, 1984. Cash recoupments have grown 230% compared to the same time period only two years ago.

Management and policy initiatives account for \$56 million in savings. These include:

- opportunities for Medicaid recipients to voluntarily enroll in an HMO-style coordinated health care program called The Health Connection.
- purchasing medical goods and services (such as eyeglasses) in bulk for greater cost savings and quality.
- the implementation of Chapter 372, Massachusetts' hospital cost containment law.

**Access to services.** During 1984, Public Welfare began a major effort to ensure that over 400,000 Medicaid clients throughout the state have equal access to quality health care services. As a result of these activities, more than 9,500 physicians have enrolled in the Medicaid program. In September of 1984, Public Welfare re-opened a special Medicaid office at Boston City Hospital, part of a new program to improve health care services for General Relief recipients and the homeless.





# Local Office Directors



**Edward Silva**  
Attleboro



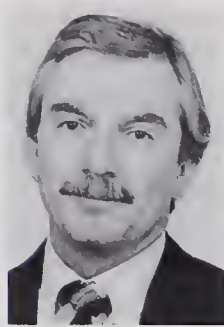
**Bill McDonough**  
Barnstable



**Carlotta Talbot**  
Beverly



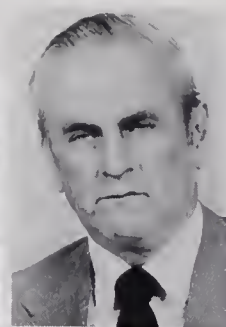
**John Currivan**  
Church Street,  
Boston



**Robert Hill**  
East Boston



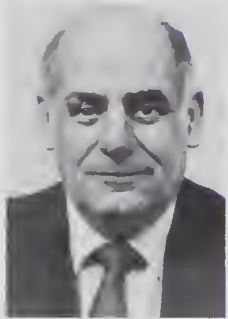
**Desdemonia Alexander**  
Grove Hall, Boston



**Lawrence Durkin**  
Hancock Street,  
Boston



**Charles Lynch**  
South Boston



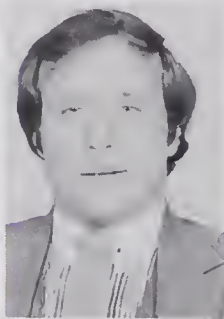
**Louis Silva**  
Brockton



**Ruth Malenka**  
Brookline-Newton



**Tom Walsh**  
Cambridge



**Neil Darcy**  
Chelsea



**Jane Nunn**  
Chicopee



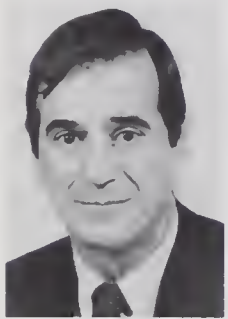
**Edward Fitzgibbons**  
Fall River



**Helen Siemers**  
Falmouth  
(Acting)



**Mike Pandiscio**  
Fitchburg



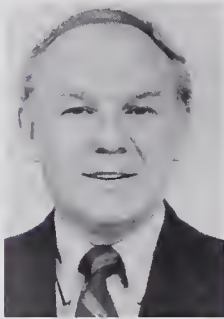
**Chuck Garivaltis**  
Great Barrington



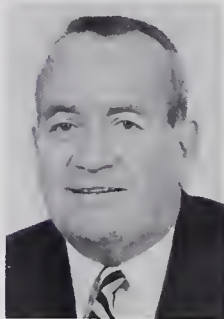
**James Greenleaf**  
Greenfield



**Dorothy Feinman**  
Haverhill



**Donald Pijar**  
Holyoke



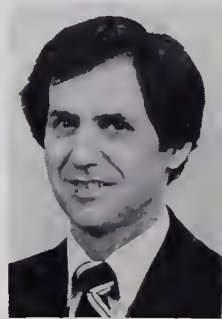
**Bill Healey**  
Lawrence



**Bernard Bettencourt**  
Lawrence  
Long-Term Care



**Arlene Redmond**  
Lowell



**Matt Kanan**  
Malden



**George Cooper**  
Newburyport



**John Thompson**  
Northampton



**John Kelly**  
Norwell



**James McCarthy**  
Norwood



**Jon Tirrell**  
Orleans



**Donald Stack**  
Pittsfield



**Thomas Wood, Jr.**  
Plymouth



**Leonard DeLorey**  
Quincy



**George Hollywood**  
Springfield  
Long-Term Care



**Larry Pike**  
Taunton



**Duncan MacEachern**  
Taunton  
Long-Term Care



**Joanne Rando**  
Wakefield  
(Acting)



**Mary Prendergast**  
Waltham



**Pauline Levasseur**  
Wareham  
(Acting)



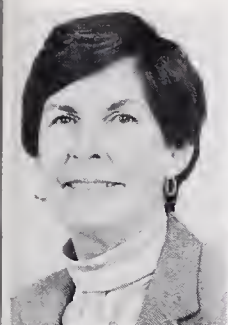
**Leonard Provost**  
Westfield



**John Morrissey**  
Weymouth



# Public Welfare Executive Staff



**Beatrice O'Donnell**  
Hawkins Street,  
Boston



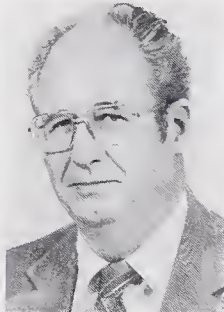
**Marcia Fischer**  
Roslindale  
(Acting)



**Elizabeth Dowd**  
Roxbury Crossing,  
Boston



**Janice Marshall**  
Framingham



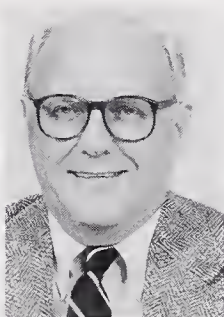
**William Duncan**  
Gardner



**Neil Strong**  
Gloucester



**Patsy Nettles**  
Marlboro



**Frederick Hanny**  
Milford



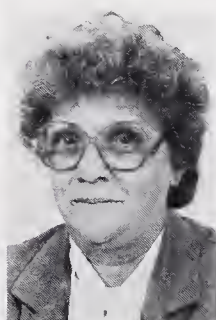
**Francis Gilbert**  
New Bedford



**Ann Linehan**  
Somerville



**John Saad**  
Southbridge



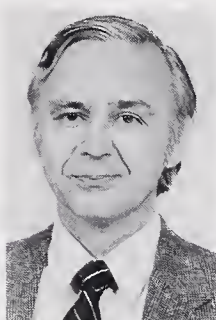
**Florence Webb**  
Springfield



**Norma James**  
Woburn



**Joseph Vignaly**  
Worcester



**Alden Mitchell**  
Worcester  
Long-Term Care



Seated from left to right beneath a bas-relief of Boston Mayor James Michael Curley in the old Boardroom of the Overseers of the Boston Public Welfare Department are: **Walter Holmes**, Assistant Commissioner for Administration; **Jolie Bain Pillsbury**, Associate Commissioner for Eligibility Operations; **Joanne Bluestone**, Associate Commissioner for Medical Payments; **Leah Sprague**, Assistant Commissioner for Legal Affairs; **Joseph Gallant**, Associate Commissioner for Project Management; **Matthew Fishman**, Assistant Commissioner for Budgeting and Cost Control; **Terrell Samuels**, Deputy Associate Commissioner for Eligibility Operations; **Paul Provencher**, Deputy Associate Commissioner for Employment and Training; **Charles Atkins**, Commissioner; **Thomas Sellers**, Assistant Commissioner for Finance; **Thomas Glynn**, Deputy Commissioner; **Carmen Canino**, Assistant Commissioner for Policy; **Elyse Jacob**, Deputy Associate Commissioner for New Programs; **Barbara Burke-Tatum**, Associate Commissioner for Employment and Training; **Elizabeth Vorenberg**, Assistant Commissioner for Research, Planning and Evaluation.

Standing from left to right: **William Carito**, Director of Legislation; **Donna Cain**, Special Assistant to the Commissioner for Personnel; **James Leitner**, Executive Assistant to the Commissioner; **Lee Chelminiak**, Director of Communications; **Chela Tawa**, Director of Community Relations; **Margaret Mulligan**, Special Assistant to the Deputy Commissioner; **Helen Cort**, Assistant Director of Hearings; **Teri Bergman**, Assistant Commissioner for External Affairs; **Roland Cassavant**, Director of Hearings; **Gene DeLucia**, Acting Assistant to the Commissioner for Systems; **William Ramsey**, Executive Assistant and **Joel Watson**, Deputy Associate Commissioner for Medical Payments not available for photo.

## Not Available for Photo

**Betty DePriest**  
Acton

**Marjorie Murphy**  
Oak Bluffs

**Anne Ciuk**  
Adams

**Albert Dupsha**  
Palmer

**Thomas Spirito**  
Lynn

**Edmund McCarthy**  
Salem

**Marjorie Clute**  
Nantucket



**Department of Public Welfare**

Charles M. Atkins,  
Commissioner

**Executive Office of Human Services**

Philip W. Johnston,  
Secretary

**Commonwealth of Massachusetts**

Michael S. Dukakis,  
Governor

**State Advisory Board:**

Dolores Mitchell,  
Chair

Sara Aronson

John Battaglino

Robert Clark, Sr.

Linda Creedon

Patricia Eliot

Bernice Gilman

Arnold Gurin

Barbara Harrell

Denise Costa Haywood

Father Francis Kelley

Mary Lopes

Michelene Ridley Malson

Paul Marks

Monsignor Eugene McNamara

Katherine Mainzer Murphy

Jose Pérez

Robert Peterkin

Howard Prunty

Charles Rodgers

Thaleia Tsongas Schlesinger

Eunice Smith

Marie Stackpole

Barbara Wishnov

Barbara Zoob

**Design:** Grand Design

**Copy:** Lee A. Chelminiak,  
Dept. of Public Welfare

**Photography:** Eric Roth  
Hakim Raquib

**Printing:** Addison C. Getchell & Son, Inc.







